

1997-98 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- 05hrAC-EdR_RCP_pt01a
- 05hrAC-EdR_RCP_pt01b
- 05hrAC-EdR_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

➤ **

➤ Committee Hearings ... CH

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

➤ **

➤ Miscellaneous ... Misc

➤ 97hrJC-Fi_Misc_pt50a_LFB

➤ Record of Comm. Proceedings ... RCP

➤ **

Corrections

Adult Institutions

(LFB Budget Summary Document: Page 175)

LFB Summary Items for Which Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
1	Inmate Population Adjustments (Paper #300)
2,9,10	
11,14,15	Prison Staffing and University Hospital Waiting Room Security (Paper #301)
4	Supplies and Services -- 1995 Act 27 Reduction Offset (Paper #302)
-	Minor Policy and Technical Changes -- Federal Contract Beds (Paper #303)
5	Contract for Private Prison Space in Other States (Paper #304)
6	Racine Youthful Offender Correctional Facility (Paper #305)
8	Security Staff for the Wisconsin Resource Center (see Paper #460)
19	Highway Landscaping Project (see Paper #583)
20	Specialized Training and Employment Program (Paper #306)
23	Private Industry/Prison Employment Program (Paper #307)
24,25(part)	Private Industry/Prison Employment Program Expansion (Paper #308)
25(part)	Badger State Industries (Paper #309)
27	Minor Policy and Technical Changes -- Internal Services Charges (Paper #310)

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Inmate Population Adjustments (Corrections -- Adult Institutions)

[LFB Summary: Page 175, #1]

CURRENT LAW

Base level funding for inmate-related costs (food, health care, clothing, inmate wages and other supplies) is \$39,782,900 GPR annually.

GOVERNOR

Population Adjustments. Provide \$1,867,900 GPR in 1997-98 and \$7,400,700 GPR in 1998-99 for inmate-related costs in facilities operated by the Division of Adult Institutions and the Division of Community Corrections.

Contracting for Food Services. Reduce funding for inmate food costs by \$100,000 GPR annually to reflect the contracting out of food services.

Inmate Health Costs. Reduce funding for inmate health care costs by \$500,000 GPR in 1997-98 and \$1,900,000 GPR in 1998-99 to reflect the use of managed health care. Create nonstatutory language requiring Corrections to use \$60,000 in 1997-98 from the Department's general program operations appropriation to contract with a consulting firm to study the most cost-effective method to distribute medication to prisoners and the feasibility of contracting with a private health care organization for managed health care services for prisoners.

DISCUSSION POINTS

Population Estimates

1. The budget assumes that prison populations will average 15,308 in 1997-98 and 17,873 in 1998-99. This represents a 20.3% increase in 1997-98, and a 16.8% increase in 1998-99. The actual prison population on May 9, 1997, was 13,728.

2. Costs per inmate used by the Governor in Senate Bill 77 are substantially similar to that under current law (\$3,126 in 1996-97, \$3,132 in 1997-98 and \$3,187 in 1998-99). Increases in the per inmate costs represent a 1.75% annual increase between 1997-98 and 1998-99. As a result of the estimated populations, the Governor recommended an increase of \$1,867,900 GPR in 1997-98 and \$7,400,700 GPR in 1998-99 for inmate-related costs.

3. On March 11, 1997, the Department of Administration indicated that errors had occurred in the calculation of inmate population costs included in the bill, but that using Corrections' population projections through December, 1996 (released in March, 1997), the errors could be offset by the inclusion of an additional \$1,704,100 GPR in 1997-98 and \$2,270,400 GPR in 1998-99. The later population projections used by the Governor estimate average prison populations of 14,759 in 1997-98 and 16,720 in 1998-99. The Department has indicated that more recent population projects will be higher than those used by DOA, but that no additional funding will be requested.

Contracting for Food and Health Services

4. Senate Bill 77 reduces funding for inmate food costs by \$100,000 GPR annually to reflect the contracting out of food services, and reduces funding for inmate health care costs by \$500,000 GPR in 1997-98 and \$1,900,000 GPR in 1998-99 to reflect the use of managed health care. Base level funding for food is \$14,734,100 GPR; base funding for health services is \$13,270,000 GPR. Using the reestimated populations from above, total funding for food would be \$13,578,400 GPR in 1997-98 and \$15,922,700 GPR in 1998-99; health services would be \$15,084,500 GPR in 1997-98 and \$17,237,300 GPR in 1998-99. The bill also creates nonstatutory language requiring Corrections to use \$60,000 in 1997-98 from the Department's general program operations appropriation to contract with a consulting firm to study the most cost-effective method to distribute medication to prisoners and the feasibility of contracting with a private health care organization for managed health care services for prisoners.

5. The Department of Administration indicates that the funding reductions in the bill represent anticipated cost savings that will occur by contracting out some food service operations and instituting managed health care in the correctional institutions. These savings, however, are not based on any specific number of inmates being served or any specified cost reductions within the Department. The budget lines that are reduced in the bill associated with food and health

care cost savings are the same line that will be used to support contracted costs. As a result, Corrections would need to transfer funding within the appropriation to pay for contract costs. It has not yet been determined how contracted services would be funded within the appropriation or how the services would be implemented.

6. With regard to the reduction in health services costs, it could be argued that any reduction in costs is premature, given that the bill requires Corrections to contract with a consulting firm to study the most cost-effective method to distribute medication and the feasibility of contracting with a private health care organization for managed health care services for prisoners. If the feasibility of managed care has not been determined, questions can be raised as to why cost reductions are being made in advance of the study. As a result, the Committee may wish to maintain current law regarding the health care cost reductions, but approve the feasibility study.

7. DOA and Corrections have indicated that the costs of food service and health care services will be managed within the resources provided in the budget.

ALTERNATIVES TO BASE

A. Population Reestimate

1. Approve the Governor's recommendation, as modified by the Department of Administration on March 11, 1997, to provide \$3,572,000 GPR in 1997-98 and \$9,671,100 GPR in 1998-99 for inmate-related costs in facilities operated by the Division of Adult Institutions and the Division of Community Corrections. Budgeted prison populations would be 14,759 in 1997-98 and 16,720 in 1998-99.

<u>Alternative A1</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$13,243,100
[Change to Bill]	\$3,974,500]

B. Contracting for Food and Health Services

1. Approve the Governor's recommendation to reduce funding for inmate food costs by \$100,000 GPR annually to reflect the contracting out of food services, and reduce funding for inmate health care costs by \$500,000 GPR in 1997-98 and \$1,900,000 GPR in 1998-99 to reflect the use of managed health care. In addition, require Corrections to use \$60,000 in 1997-98 from the Department's general program operations appropriation to contract with a consulting firm to

study the most cost-effective method to distribute medication to prisoners and the feasibility of contracting with a private health care organization for managed health care services for prisoners.

<u>Alternative B1</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	- \$2,600,000
[Change to Bill]	\$0]

2. Approve the Governor's recommendation, except maintain current funding level related to the proposed reduction in health care costs.

<u>Alternative B2</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	- \$200,000
[Change to Bill]	\$2,400,000]

3. Maintain current law.

<u>Alternative B3</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$0
[Change to Bill]	\$2,600,000]

MO#

A-1

2 BURKE	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
GEORGE	<input checked="" type="radio"/>	N	(A)
JAUCH	<input checked="" type="radio"/>	N	A
WINEKE	<input checked="" type="radio"/>	N	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
COWLES	<input checked="" type="radio"/>	N	A
PANZER	<input checked="" type="radio"/>	N	A
1 JENSEN	<input checked="" type="radio"/>	N	A
OURADA	<input checked="" type="radio"/>	N	A
HARSDORF	<input checked="" type="radio"/>	N	A
ALBERS	<input checked="" type="radio"/>	N	A
GARD	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
LINTON	<input checked="" type="radio"/>	N	A
COGGS	<input checked="" type="radio"/>	N	A

AYE 15 NO 0 ABS 1

CORRECTIONS -- ADULT INSTITUTIONS

Inmate Population Adjustments
Substitute to Alternative B1 (Paper #300)

*Friendly amendment
to strike*

Motion:

Move to reduce funding for inmate health care costs by ~~\$500,000 GPR in 1997-98~~ and \$1,900,000 GPR in 1998-99 to reflect the use of managed health care. In addition, require Corrections to use \$60,000 in 1997-98 from the Department's general program operations appropriation to contract with a consulting firm to study the most cost-effective method to distribute medication to prisoners and the feasibility of contracting with a private health care organization for managed health care services for prisoners.

Note:

This motion would approve the Governor's recommendation related to the reduction in funding associated with the contracting out of inmate health care (\$500,000 GPR in 1997-98 and \$1,900,000 GPR in 1998-99), but would eliminate the proposed funding reduction associated with the contracting out of food services (\$100,000 GPR annually).

[Change to Base: -\$2,400,000 GPR]

[Change to Bill: \$200,000 GPR]

MO# 1660

2 BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	(Y)	N	(A)
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	(N)	A
JENSEN	(Y)	N	A
OURADA	(Y)	(N)	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	(N)	A
GARD	(Y)	(N)	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

Motion #1660

AYE 11 NO 4 ABS 1

<p>To: Joint Committee on Finance</p> <p>From: Bob Lang, Director Legislative Fiscal Bureau</p>

ISSUE**Prison Staffing (Green Bay, Oakhill, Racine and Columbia) and University Hospital Waiting Room Security (Corrections -- Adult Institutions)**

[LFB Summary: Page 176, #2, Page 181, #9, #10 and #11 and Page 183, #14 and #15]

CURRENT LAW

Three correctional institutions are scheduled to complete the following expansions during the 1997-99 biennium: (a) Green Bay Correctional Institution, a 108-bed segregation unit and an inmate processing unit in October, 1998; (b) Oakhill Correctional Institution, a 48-bed segregation unit and a new administration building in October, 1998; and (c) Racine Correctional Institution, a remodelled 46-bed housing unit in September, 1997. In addition, a separate, secure inmate waiting area at the University Hospital and Clinics is scheduled to open in October, 1997.

GOVERNOR

Provide the following GPR funding and positions for each of the institutions.

<u>Institution</u>	<u>1997-98 Funding</u>	<u>1998-99 Funding</u>	<u>1998-99 Positions</u>
Green Bay	\$0	\$1,234,100	36.65
Oakhill	0	613,700	19.40
Racine	256,800	273,700	8.20
UW Hospital	<u>91,600</u>	<u>100,200</u>	<u>3.00</u>
Total	\$348,400	\$2,221,700	67.25

In addition, provide \$33,400 GPR in 1997-98 and \$37,900 GPR in 1998-99 with 1.0 GPR position annually at the Columbia Correctional Institution for increased inmate complaint investigation workload.

DISCUSSION POINTS

Staffing Associated with Facility Expansions

1. In the 1995-97 biennial budget, the construction of a 108-bed segregation unit and a new inmate processing center at the Green Bay Correctional Institution was authorized at \$10.2 million. The 1995-97 biennial budget also authorized \$7.8 million for the construction of a 48-bed segregation unit and an expansion of the administration building at the Oakhill Correctional Institution. During the 1995-97 biennium, the Building Commission approved a remodelling project at Racine to replace an existing 16-bed unit with a 46-bed unit and the construction of the inmate waiting room at the University of Wisconsin Hospitals and Clinics in Madison.

2. In reviewing the staffing at each of the institutions, it appears, based on current institutional staffing levels, staffing at similar institutions and projected opening dates, that the following reductions could be considered:

- Green Bay--Senate Bill 77 provides \$1,234,100 GPR and 36.65 GPR positions in 1998-99 for the opening of the segregation and processing unit based on a project completion date of October, 1998. Completion of the construction project is currently estimated to be March, 1999. In addition, adjustments may be made to make startup costs between institutions consistent and to properly reflect the staffing of correctional officer positions. Finally, the bill provides 1.0 social worker position, 1.0 crisis intervention worker and 0.5 psychologist position. The Department indicates that the planned duties of the crisis intervention worker and the psychologist are relatively similar, and the social worker would perform inmate program reviews. Given that the crisis intervention worker and psychologist positions appear to be duplicative, 0.5 psychologist position could be deleted.

- Oakhill--Senate Bill 77 provides \$613,700 GPR and 19.40 GPR in 1998-99 for the opening of the segregation unit and the new administration building based on a project completion date of October, 1998. Completion of the construction project is currently estimated to be March, 1999. In addition, adjustments may be made to make startup costs between institutions consistent and to properly reflect the staffing of correctional officer positions. Further, the bill provides 0.5 financial assistant in the business office. Based on the number of inmates at the Oakhill Institution and staffing at other institutions, this position could be deleted.

- Racine--Senate Bill 77 provides \$256,800 GPR in 1997-98 and \$273,700 GPR in 1998-99 with 8.2 GPR positions annually for the opening of the expanded housing unit, based

on a project completion date of September, 1997. Completion of the construction project is currently estimated to be March, 1998. In addition, adjustments may be made to make startup costs between institutions consistent and to properly reflect the staffing of correctional officer positions.

- UW Hospital Waiting Room--Senate Bill 77 provides \$91,600 GPR in 1997-98 and \$100,200 GPR in 1998-99 with 3.0 GPR positions annually for the opening of the waiting room, based on a project completion date of October, 1997. Completion of the construction project is currently estimated to be March, 1998.

3. These changes would result in reductions to the bill of ^{738,000} ~~\$746,600~~ GPR and ^{-1.21} ~~-1.71~~ GPR positions over the 1997-99 biennium. These modifications are shown below.

Change to SB 77

<u>Institution</u>	<u>1997-89</u>	<u>1998-99</u>	<u>1998-99 Positions</u>
Green Bay	\$0	-\$416,100	-0.56
Oakhill	0	-183,800	-0.60
Racine	-103,900	-2,000	-0.05
UW Hospital	<u>-32,200</u>	<u>0</u>	<u>0.00</u>
Total Reduction	-\$136,100	-\$601,900	-1.21

Change to Base

Green Bay	\$0	\$818,000	36.09
Oakhill	0	429,900	18.80
Racine	152,900	271,700	8.15
UW Hospital	<u>59,400</u>	<u>100,200</u>	<u>3.00</u>
Total	\$212,300	\$1,619,800	66.04

Inmate Complaint Investigator

4. The duties of an inmate complaint investigator are to: (a) recommend the disposition of inmates' complaints on Institution rules, policies, practices and staff actions; (b) implement the Warden's decisions or directives regarding inmate complaints; (c) keep records of inmate complaints; (d) provide orientation for inmates and staff to the institution and rules; (e) hear disciplinary appeals as directed by the Warden; and (f) provide training for staff regarding their advocate role in inmate due process. The Division of Adult Institutions currently

has 17.5 inmate complaint investigators in eleven correctional institutions. In addition, Waupun Correctional Institution has 1.0 inmate complaint supervisor. The bill provides an additional 1.0 complaint investigator for the Columbia Correctional Institution. Based on current inmate-to-complaint investigator ratios, Columbia has the highest ratio of complaint investigators for a maximum security institution, with one investigator for 684 inmates, compared to 408 at Waupun, 461 at Green Bay and 600 at Dodge. Given the ratio, an additional position could be provided.

5. Alternatively, it could be argued that if Corrections reallocated 0.5 of an investigator position from another institution, Columbia's ratio would decrease to 456.

ALTERNATIVES TO BASE

A. Prison Staffing

1. Approve the Governor's recommendation to provide \$348,400 GPR and 11.2 GPR positions in 1997-98 and \$2,221,700 GPR and 67.25 GPR positions in 1998-99 for increased prison staffing at the Green Bay, Oakhill and Racine Correctional Institutions, and for the new inmate waiting room at the University of Wisconsin Hospital and Clinics.

<u>Alternative A1</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$2,570,100
[Change to Bill]	\$0]
1998-99 POSITIONS (Change to Base)	67.25
[Change to Bill]	0.00]

2. Provide \$212,300 GPR and 11.15 GPR positions in 1997-98 and \$1,619,800 GPR and 66.04 GPR positions in 1998-99 to reflect: (a) delayed construction completion dates; (b) adjustments to make startup costs between institutions consistent and to reflect the staffing of correctional officer positions; and (c) the reestimation of staffing needs based on similar institutions.

<u>Alternative A2</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$1,832,100
[Change to Bill]	- \$738,000]
1998-99 POSITIONS (Change to Base)	66.04
[Change to Bill]	-1.21]

B. Inmate Complaint Investigator

1. Approve the Governor's recommendation to provide \$33,400 GPR in 1997-98 and \$37,900 GPR in 1998-99 with 1.0 GPR position annually at the Columbia Correctional Institution for increased inmate complaint investigation workload.

<u>Alternative B1</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$71,300
[Change to Bill]	\$0]
1998-99 POSITIONS (Change to Base)	1.00
[Change to Bill]	0.00]

2. Take no action.

<u>Alternative B2</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$0
[Change to Bill]	- \$71,300]
1998-99 POSITIONS (Change to Base)	0.00
[Change to Bill]	- 1.00]

MO# A-2

BURKE	<u>Y</u>	N	A
DECKER	<u>Y</u>	N	A
GEORGE	<u>Y</u>	N	A
JAUCH	<u>Y</u>	N	A
WINEKE	<u>Y</u>	N	A
SHIBILSKI	<u>Y</u>	N	A
COWLES	<u>Y</u>	N	A
PANZER	<u>Y</u>	N	A
JENSEN	<u>Y</u>	N	A
OURADA	<u>Y</u>	N	A
HARSDORF	<u>Y</u>	N	A
ALBERS	<u>Y</u>	N	A
GARD	<u>Y</u>	N	A
KAUFERT	<u>Y</u>	N	A
LINTON	<u>Y</u>	N	A
COGGS	<u>Y</u>	<u>N</u>	A

AYE 14 NO 1 ABS 1

MO# B-1

BURKE	<u>Y</u>	N	A
DECKER	<u>Y</u>	N	A
GEORGE	<u>Y</u>	N	A
JAUCH	<u>Y</u>	N	A
WINEKE	<u>Y</u>	N	A
SHIBILSKI	<u>Y</u>	<u>N</u>	A
COWLES	<u>Y</u>	<u>N</u>	A
PANZER	<u>Y</u>	<u>N</u>	A
JENSEN	<u>Y</u>	N	A
OURADA	<u>Y</u>	N	A
HARSDORF	<u>Y</u>	N	A
ALBERS	<u>Y</u>	N	A
GARD	<u>Y</u>	N	A
KAUFERT	<u>Y</u>	<u>N</u>	A
LINTON	<u>Y</u>	N	A
COGGS	<u>Y</u>	N	A

AYE 11 NO 4 ABS

To: Joint Committee on Finance
From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Supplies and Services -- 1995 Act 27 Reduction Offset (Corrections -- Adult Institutions)

[LFB Summary: Page 177, #4]

CURRENT LAW

In 1995 Act 27, program revenue funding of \$3.2 million was provided in 1996-97 for supplies and services, with a corresponding decrease of \$3.2 million GPR. Program revenue is generated through charges to inmates employed in the private industry/prison employment program.

GOVERNOR

Provide \$2,690,400 GPR annually for supplies and services in the adult correctional institutions to offset funding reductions made in the 1995-97 biennial budget.

DISCUSSION POINTS

1. The private business/prison employment program was created in 1995 Act 27. Under the program, up to three private businesses may utilize inmate labor and prison space to manufacture products or components or to provide services for sale on the open market. A portion of inmate wages is retained by Corrections to offset state costs. Corrections estimated that the retained inmate wages would generate \$3.2 million in 1996-97. During the agency's biennial budget briefing before the Committee, the Department of Corrections indicated that it was confident that the estimated revenue could be realized. As a result, the Legislature created

a PR general program operations appropriation in Corrections, provided an additional \$3.2 million in PR expenditure authority in 1996-97 and reduced the Department's GPR appropriation for supplies and services by a corresponding amount.

2. The Department of Corrections has \$5,123,600 budgeted in 1996-97 for supplies and services in the adult correctional institutions. These costs are funded from GPR (\$1,923,600) and PR (\$3,200,000). Supplies and services budgets are allocated by Corrections to each correctional institution. Costs funded from supplies and services include security supplies, telephone costs, educational supplies, law library costs and travel expenses. In addition to these costs, each institution receives a general allocation based on projected inmate populations to fund general administrative expenses and some program activities. These costs include insurance, data processing, printing, office supplies, housekeeping supplies, and employee uniforms and glasses.

3. Corrections estimates that the private industry/prison employment program will generate \$509,600 PR in 1997-98 and 1998-99 in inmate wages. The recommended \$2,690,400 GPR annually would provide the difference in funding between anticipated revenues and \$3.2 million.

4. Given that program revenue from inmate wages to support supplies and services costs is significantly less than Corrections originally estimated, it can be argued that increased funding should be provided. If increased funding is not provided and program revenues do not exceed projected amounts, the Department has indicated that reductions in other portion of the budget would be necessary and could include a reduction in services for staff and inmates, delays in purchases, on-going repairs and equipment replacement, or holding positions vacant. The Committee should note that the Department intends to submit a s. 13.10 request in June, 1997, to address the supplies and services shortfall in 1996-97.

5. As a technical matter, program revenue expenditure authority associated with supplies and services should be reduced by an amount corresponding to the GPR increase (\$2,690,400 PR annually).

MODIFICATION TO BASE

Approve the Governor's recommendation to provide \$2,690,400 GPR annually, as technically modified to remove a corresponding amount of program revenue funding, for supplies and services in the adult correctional institutions to offset funding reductions made in the 1995-97 biennial budget.

<u>Modification</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Base)	\$5,380,800	- \$5,380,800	\$0
(Change to Bill)	\$0	- \$5,380,800	- \$5,380,800

Prepared by: Jere Bauer

MO# modification

BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	Y	N	(A)
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
JENSEN	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	Y	(N)	A

AYE 14 NO 1 ABS 1

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Minor Policy and Technical Changes -- Federal Contract Beds (Corrections -- Adult Institutions)

GOVERNOR

No provision.

MODIFICATION TO BILL

Create statutory language clarifying that Corrections has the authority to pay for contracted beds provided by the federal government from the current correctional contracts appropriation.

Explanation: In March, 1997, the Joint Committee on Finance, under s. 13.10, transferred funding for the federal beds from the correctional contract appropriation to the Department's general program operations appropriation, because it was noted that, while Corrections could contract with the federal government for prison beds, the Department did not have specific statutory authority to pay for those beds from the contract appropriation. At the time, it was stated that statutory language could be modified in the 1997-99 budget to clarify this matter.

Prepared by: Jere Bauer

MO# modification
to base

2 BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	(Y)	N	(A)
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
1 JENSEN	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

AYE 15 NO 0 ABS 1

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Contract for Private Prison Space in Other States (Corrections -- Adult Institutions)

[LFB Summary: Page 177, #5]

CURRENT LAW

Under current law, Corrections may contract with other states or political subdivisions of other states for the transfer and confinement of Wisconsin prisoners in facilities that are publicly owned and operated. If the contract involves the transfer of more than 10 prisoners in any fiscal year, Corrections may enter into the contract only if the contract is approved by the Legislature by law or by the Joint Committee on Finance.

GOVERNOR

Provide \$8,212,500 GPR annually to allow Corrections to contract with private providers for prison beds in other states. Create statutory language allowing Corrections to contract with a private corporation for prison beds in other states. Create a separate, annual appropriation for contracts with private prisons.

DISCUSSION POINTS

1. Under the bill, statutory language is created that would allow Corrections to contract with a private corporation for prison beds in other states. The Department would be allowed to enter into one or more contracts. Each contract would be required to contain all of the following provisions:

- a termination date;
- the costs of prisoner maintenance, extraordinary medical and dental expenses and any participation in rehabilitative or correctional services, facilities, programs or treatment;
- specifications regarding any participation in programs of prisoner employment, the disposition or crediting of any payments received by prisoners, and the crediting of proceeds from any products resulting from employment;
- specifications regarding the delivery and retaking of prisoners;
- regular reporting procedures concerning prisoners by the private corporation;
- procedures for probation, parole and discharge;
- the use of the same standards of reasonable and humane care as the prisoners would receive in a Wisconsin institution; and
- any other matters determined to be necessary and appropriate regarding the obligations, responsibilities and rights of Wisconsin and the private company.

In addition, the bill specifies that while in a private contract facility in another state, Wisconsin prisoners would be subject to all provisions of law and regulation concerning the confinement of persons in that institution under the laws of the state where the private institution is located. Further, any parole hearing for a prisoner confined under a contract would be conducted by the Wisconsin Parole Commission.

The funding provided under the bill (\$8,212,500 GPR annually) assumes that 500 beds will be purchased for a full year at \$45 per day per bed.

2. On September 26, 1996, under s. 13.10, the Committee approved a contract that would allow the transfer of up to 700 inmates to Texas county jails at a cost of \$39.96 per day per bed. On March 27, 1997, the Committee transferred \$1.1 million within Corrections to fund a new contract for 330 prison beds with the Federal Bureau of Prisons facilities at Duluth, Minnesota and Oxford, Wisconsin. As of May 9, 1997, Wisconsin had placed 430 inmates in Texas county jails and 154 at the federal prison in Duluth.

3. With regard to the issue of allowing Corrections to contract with private providers, the Committee needs to address two separate, but related, questions: Should the statutory language allowing contracts with private prisons be created? If contracting is allowed, what level of funding should be provided? These issues are addressed in the sections below.

Contracting with Private Providers

4. The statutory provisions included in SB 77 to allow contracting with private prisons is substantially similar to current law provisions allowing Corrections to contract for prison space in other states, except that contracts with private prisons would not require that the Legislature or the Joint Committee on Finance approve the contract. Under current law, if the contract with another state or political subdivision involves the transfer of more than 10 prisoners in any fiscal year, Corrections may enter into the contract only if the contract is approved by the Legislature by law or by the Joint Committee on Finance. As under current law, contracts with private companies for prison beds would not have to follow current state procurement requirements or current Corrections' standards for the purchase of services for offenders.

5. Corrections argues that, in order to relieve crowding in existing state prison facilities, the ability to contract for prison bed space is necessary. To address the question of state prison capacity, Corrections has by policy defined the operating capacity of the prison system as the lesser of: (a) the number of inmates that a correctional institution can house; or (b) an institution's capacity to provide non-housing functions such as food service, medical care, recreation, visiting, inmate programs, segregation housing and facility administration. Medical services and segregation beds (single cells for inmates removed from the general population for behavioral or security reasons) are not counted in housing capacity. Housing capacity is defined as: (a) one inmate per cell at maximum security facilities, with a 2% cell vacancy rate; and (b) up to 20% double occupancy of cells in medium security facilities existing as of July 1, 1991, or 50% double occupancy of cells in medium security facilities constructed after July 1, 1991. No specific standard has been established for minimum security institutions, but capacities have been determined on an institution-by-institution basis. Corrections' operating capacity figures also include contracted county jail beds.

6. As of May 9, 1997, Corrections' identified operating capacity was 9,538 inmates. This figure included 441 contract beds. The actual number of inmates in contract beds (in Wisconsin and Texas county jails, and federal facilities) was 934.

7. A number of points should be made regarding the concept of operating capacity. First, the current capacity figures do not include 1,050 beds that were recently constructed in barracks units at six correctional institutions. Inclusion of these beds, all of which are scheduled to be available by July, 1997, will increase Corrections' defined operating capacity to 10,588. The capacity figures also do not include additions to operating capacity that are the result of current construction projects expected to be completed during the 1997-99 biennium. If these beds are added, the operating capacity figure would increase by 855 beds to 11,443 beds. In addition, since operating capacity figures for jail contracts do not reflect actual experience, capacity is understated. Further, operating capacity figures do not include the "supermax" facility (500 beds scheduled to open in 1999), the temporary use of the Prairie du Chien juvenile facility as an adult institution in 1997-98 (277 beds) or additional beds proposed in 1997-99 capital budget (1,200 additional beds, excluding 400 beds proposed for a probation and parole hold

facility). Finally, to the extent that Corrections exceeds the percentages of double-occupied cells or redefines any of the terms used in its operating capacity definition, additional inmates can be accommodated.

8. In 1993 Act 16, Corrections was required to promulgate administrative rules providing limits on the number of prisoners at all state prisons. The Act required Corrections to include systemwide limits and limits for each prison, except that a single limit could be established for the minimum-security correctional centers. Further, procedures to exceed any systemwide, institution or center system limit in an emergency situation could be created. As of May, 1997, this rule had not been promulgated.

9. Given that Corrections has not adopted an administrative rule on operating capacity and, under Corrections' policy, operating capacity could be limited by various non-housing factors, it can be argued that housing limits are the principal factor in determining prison capacity. Using the Department's current definition of housing capacity, and assuming that contracts with Wisconsin and Texas counties and the federal government continue, Corrections would have a prison capacity of 13,423 in January, 1998, and 13,971 in January, 1999. Based on prison populations assumed under Senate Bill 77 (as modified by DOA on March 11, 1997, in a letter to the Committee), average daily prison populations will be 14,759 in 1997-98 and 16,720 in 1998-99.

10. Based on the above capacity and population figures, it is estimated that approximately an additional 1,330 beds in 1997-98 and 2,750 in 1998-99 would be necessary above current capacity. The difference between prison capacity and the projected populations will need to be addressed through increased double occupancy of cells beyond the defined limits of housing capacity, new construction and increased contracted prison or jail space.

11. It can be argued that allowing Corrections the ability to contract with private providers gives the Department some added flexibility to address fluctuating prison capacity needs. Further, if private contractors have space available, this space can be provided more quickly than through prison construction, thus allowing Corrections the ability to meet short-term capacity needs without incurring long-term costs of an additional facility.

12. If the Committee wishes to allow Corrections to contract with private providers, any of the following changes could be made to the proposed statutory language:

- The bill would limit the private providers with whom Corrections could contract to providers in other states. As a result, if a private provider wished to establish a prison in Wisconsin, the Department would be prohibited from contracting with that provider. If the Committee wishes, the language could be modified to allow contracts with Wisconsin-based contractors. (There are currently no private providers of prison beds located in Wisconsin.)

- Under current law, the Legislature has review and approval authority over contracts that Corrections enters into with public providers of prison space. The bill, however, does not require legislative approval for contracts with private providers. The incarceration of an individual who has been found guilty of an offense is the responsibility of the state. Since the state has this responsibility, it could be argued that the terms and conditions of the incarceration of an offender in a private facility, not under the state's direct control, should be reviewed and formally approved provided by the Legislature or the Committee. Further, since costs of incarceration in a private facility are dependent on the costs specified in each contract, it would be appropriate for the Legislature, exercising its power of oversight over the expenditure of state funds, to approve each contract. If the Committee wishes, the bill could be modified to include Legislative review and approval.

- Given that there are at least 15 private firms currently providing prison bed space to federal, state and local government agencies, there could be a number of potential bidders on any contract for privately-provided prison space. Further, if a contract is approved, Corrections will need to monitor the contractor for compliance with the contract's provisions. The Department does not have a staff position assigned to monitor its existing contracts with Wisconsin or Texas counties, or the federal government. This role has been performed by the Deputy Division Administrator for Adult Institutions, in addition to other duties. If the Committee allows the Department to contract with private providers, it may be appropriate for an additional position to be created to negotiate and monitor all contracts for prison space. Under this alternative, the Committee could provide \$44,100 GPR in 1997-98 and \$52,300 GPR in 1998-99 with 1.0 GPR position annually.

- The bill applies the current law exemption from state procurement rules for contracts with public providers of prison space to contracts with private providers. It could be argued that requiring other governmental units to bid to provide prison space would be a disincentive to providing that space because these facilities are publicly owned and operated and, therefore, do not generally need the state's business to continue to operate. By contrast, however, having private providers compete through the procurement process could provide benefits to the state in that the lowest price could be achieved from businesses that are privately owned and need business to operate. Under the procurement laws, the state is required to accept the lowest responsible bid, after bids have been formally solicited and reviewed. Current law also allows the Governor or the Secretary of the Department of Administration to waive any procurement law if it is in the best interest of the state to do so. If the Committee wishes, the exemption from the procurement law could be eliminated.

13. It could be argued that since it is the state that has found an individual guilty of an offense and sentenced that person to a term of incarceration, the state should be directly responsible for providing prison space. While contracts with other public institutions may be appropriate because of their position of public trust and accountability, private contractors are not directly responsible to the public. It could be argued that, with a private prison contract, Corrections would not have the same level of control or oversight over the prison operational and

inmate policy issues. Further, if contracts are not well negotiated, Corrections could be placed in a position of paying more per bed than could have been obtained with public providers or in a state facility. While proponents of contracting with private providers suggest that cost savings will result, this cannot be determined without details from each of the negotiated contracts. Using arguments such as this, the provision allowing Corrections to contract with private providers could be deleted.

Funding for Contracts with Private Providers

14. If the Committee allows Corrections to contract with private providers for additional prison space, the question of funding needs to be addressed. Under the bill, \$8,212,500 GPR annually is provided for this purpose. The bill assumes that the Department will contract for 500 beds annually for a full year at \$45 per day per bed. The bill also reduces costs associated with food, health care and other inmate costs for the 500 inmates.

15. In his budget message, the Governor indicated that Corrections would contract with Correctional Corporation of America's Prairie Correctional Facility (PCF) in Appleton, Minnesota. No provision in the bill, however, specifies that the Appleton, Minnesota facility will be selected. The Committee should note that while the budget assumes that the state can contract for beds at \$45 per day, officials at PCF indicate that the cost would depend on the negotiated contract, but that generally costs are between \$50 and \$55 per day per bed. Given this range, Corrections could contract for between 409 and 450 beds on an annual basis.

16. Since the budget bill is generally not signed until August and any contract will need to be negotiated, it could be argued that funding in 1997-98 could be reduced. Assuming that a contract could not be implemented until October, 1997, and that 500 inmates would not immediately be placed, costs for private prison contracts could be reduced by \$1,650,800 GPR in 1997-98. However, since additional inmates would be held in Wisconsin institutions during 1997-98, an additional \$541,900 GPR would be required for inmate-related expenses, such as food.

17. The bill assumes that 500 contract beds will be provided annually. When the budget was introduced, Corrections was contracting only with Wisconsin and Texas counties for jail beds. On March 19, 1997, however, Corrections announced that it had entered into a contract with the federal Bureau of Prisons for 330 prison beds at a Duluth, Minnesota facility and an Oxford, Wisconsin facility. On March 27, 1997, the Committee transferred funding within Corrections to allow the Department to pay these costs in 1996-97. No funding, however, is available to continue to fund these beds in 1997-98 and 1998-99 without reducing the number of Wisconsin or Texas county jail contracts. On an annual basis, the federal beds are estimated to cost \$4,942,100. If the Committee wishes, this amount of funding could be transferred from the proposed appropriation for private prison contracts to the current correctional contracts appropriation with adjustments made to reflect additional inmates being held in Wisconsin prisons and the time needed to negotiate contracts. The amount of funding remaining in the private

contract appropriation (\$3,270,400 GPR) would be sufficient to support 163 privately contracted beds at \$55 per day per bed. When combined with the number of federal beds, a total of 493 beds would be available in 1998-99, rather than the estimate 405 to 450 if only a private facility is utilized.

18. Given that Corrections is estimated to need some increased amount of contracted prison space to accommodate increased prison populations, it could be argued that, if the Committee does not wish to allow contracting for private prison space, funding should be transferred to the current correctional contracts appropriation. Under this alternative, if the Department was able to contract with other governmental providers, funding would be available to support those contracts.

19. Whatever funding level is provided for private contracted prison space could be placed in the Committee's supplemental appropriation for release when contracts are signed with a private provider. Under this provision, funding could only be released if it were approved by the Committee. The Committee could require that funding be released only if a signed contract was also simultaneously approved.

20. Since the bill assumes that 500 inmates will be placed in other facilities outside of a state prison, if current law is maintained, additional inmates will be held in prison facilities. Costs associated with these inmates would be \$1,566,100 PR in 1997-98 and \$1,593,600 in 1998-99.

21. In a March 11, 1997, letter to the Committee, the Secretary of the Department of Administration indicated that DOA intended that funding for contracts with private providers be placed in the existing appropriation for contracts with public providers of prison beds. DOA indicates that placing all funding in a single appropriation (\$28,562,000 GPR in 1997-98 and \$28,698,900 GPR in 1998-99) would allow the Department more flexibility in utilizing funds. Under DOA's modification, Corrections would be able to determine, within the total appropriation, how much funding would be provided to public or private providers. For example, if the Department wished, all funding could be directed to public providers of prison space (currently Wisconsin or Texas counties). The Committee should note, however, that if the appropriations are combined, the Legislature would not be able to separately identify through the appropriation schedule how much funding is provided to public versus private providers.

22. Under the Governor's recommendation, the contract prison bed appropriation, as modified by DOA, would be used to support 500 private prison beds, 700 Texas county jail beds, 350 Wisconsin county jail beds, 330 federal prison beds and 277 beds at the Prairie du Chien juvenile facility (in 1997-98 only). In order to support this level of contracted bed space, funding of \$39,584,500 in 1997-98 and \$33,012,700 in 1998-99 would be necessary, compared with the \$28.6 million annually provided under the bill. The shortfall reflects the fact that SB 77 does not provide additional funding for Prairie du Chien in 1997-98, or for the federal contracted beds. The Department indicates that since total demand on the appropriation exceeds the funding

available, the funding of contract beds would need to be prioritized, with the funding of Prairie du Chien receiving first priority. Other contracted beds would be utilized to the extent that funding is available, based on their proximity to Wisconsin and the security classification of inmates. The Department has indicated that no additional funding will be requested for contracted beds. However, given the demonstrated need for contracted beds and that the federal beds Wisconsin currently has under contract are located in Wisconsin and Minnesota, it could be argued that an additional \$4,942,100 GPR could be provided annually for continued contracting with the federal government. By placing inmates in federal beds, costs associated with inmates could be reduced by \$1,033,600 GPR in 1997-98 and \$1,051,700 GPR in 1998-99.

ALTERNATIVES TO BASE

A. Statutory Authority to Contract with Private Providers

1. Approve the Governor's recommendation to allow Corrections to contract with a private provider for prison beds in other states. Create a separate, annual appropriation for contracts with private prisons.
2. Approve the Governor's recommendation to allow Corrections to contract with a private provider for prison beds, with any of the following modifications:
 - a. Allow Corrections to also contract with Wisconsin-based private providers of prison beds.
 - b. Apply the current law provision for legislative review and approval of any contract to the transfer of 10 or more inmates to any private provider of prison beds.
 - c. Require that the selection of a private provider of prison beds comply with state procurement laws.
 - d. Place any increased funding associated with contracts for prison space provided from private providers in the current appropriation for contracts with public providers. [Under this alternative, a separate appropriation for contracts with private providers would not be created.]
 - e. Provide \$44,100 GPR in 1997-98 and \$52,300 GPR in 1998-99 with 1.0 GPR position annually to fund a contract monitor position in the Department of Corrections.

<u>Alternative A2e</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$96,400
[Change to Bill]	\$96,400]
1998-99 POSITIONS (Change to Base)	1.00
[Change to Bill]	1.00]

3. Maintain current law related to contracting for prison space.

B. Funding for Contracts with Private Providers

1. Approve the Governor's recommendation to provide \$8,212,500 GPR annually to allow Corrections to contract with private providers for prison beds in other states.

<u>Alternative B1</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$16,425,000
[Change to Bill]	\$0]

2. Provide \$6,561,700 GPR in 1997-98 and \$8,212,500 GPR in 1998-99 to phase-in the purchase of prison beds from private providers. In addition, provide \$541,900 GPR in 1997-98 associated with inmate-related costs.

<u>Alternative B2</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$15,316,100
[Change to Bill]	- \$1,108,900]

3. Provide \$6,561,700 GPR in 1997-98 and \$8,212,500 GPR in 1998-99 to phase-in the purchase of prison beds from private providers. Further, provide \$4,942,100 GPR annually to continue contracts with the federal government for prison beds. Reduce funding by \$491,700 GPR in 1997-98 and \$1,051,700 GPR in 1998-99 associated with inmate-related costs.

<u>Alternative B3</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$23,115,000
[Change to Bill]	\$6,690,000]

4. Provide \$2,140,700 GPR in 1997-98 and \$3,270,400 GPR in 1998-99 for contracts with private providers of prison beds. Further, provide \$4,942,100 GPR annually to continue

contracts with the federal government for prison beds. Provide \$200,500 GPR in 1997-98 and \$22,300 GPR in 1998-99 associated with inmate-related costs.

<u>Alternative B4</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$15,518,100
[Change to Bill]	- \$906,900]

5. Place funding for private contracted prison space in the Committee's supplemental appropriation for release upon review and approval by the Committee of a signed contract with a private provider. [This alternative may be chosen in combination with either Alternatives B1, B2, B3 or B4.]

6. Instead of providing funding for contracts with private providers, provide \$8,212,500 GPR annually in the current correctional contracts appropriation.

<u>Alternative B6</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$16,425,000
[Change to Bill]	\$0]

7. Maintain current law. Provide \$1,566,100 GPR in 1997-98 and \$1,593,600 GPR in 1998-99 associated with increased inmate costs.

<u>Alternative B7</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$3,159,700
[Change to Bill]	- \$13,265,300]

MO# B-3

MO# A-2 b, c, d, e

2 BURKE	Y	N	A
1 DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
or			
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 11 NO 4 ABS 1

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 13 NO 2 ABS 1

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Racine Youthful Offender Correctional Facility (Corrections -- Adult Institutions)

[LFB Summary: Page 178, #6]

CURRENT LAW

A 240-cell (400 capacity) maximum security juvenile correctional facility is scheduled to open in January, 1998, in the city of Racine.

GOVERNOR

Provide \$8,121,900 GPR in 1997-98 and \$10,938,300 GPR in 1998-99 with 220 GPR positions annually to staff a 400-bed Racine youthful offender correctional facility.

Authorize DOC to establish this facility as a medium-security correctional institution (operated by the Division of Adult Institutions) for persons 15 years of age or over, but not more than 23 years of age, who: (a) have been placed in a state prison under a criminal sentence; or (b) have been placed in a secured juvenile correctional facility and meet certain criteria.

Change the statutory name of the juvenile offender review program (which makes placement and release decisions relating to institutionalized juvenile offenders) to the Office of Juvenile Offender Review (OJOR) and authorize the Office to make decisions regarding the transfer of juveniles in secured correctional facilities to the Racine facility. Provide that DOC may transfer a juvenile from a secured correctional facility to the Racine facility if: (a) the juvenile is 15 years of age or over; and (b) OJOR has determined that the conduct of the juvenile in his current secured correctional facility placement presents a serious problem to the juvenile or others. Provide that OJOR, in making a determination of whether a juvenile presents a serious

problem, may consider factors that include, but would not be limited to, the following: (a) whether and to what extent the juvenile's conduct in the secured correctional facility is violent and disruptive; (b) the security needs of the secured correctional facility; and (c) whether and to what extent the juvenile is refusing to cooperate or participate in the treatment programs provided for the juvenile in the secured correctional facility. A juvenile would not be entitled to a hearing regarding the transfer to the Racine facility unless DOC provides for a hearing by rule. Provide that a juvenile could seek review of the placement decision only by the common law writ of certiorari (appealing to the juvenile court to review the decision). If DOC transfers a juvenile under these provisions, the Department would be required to send written notice of the transfer to the juvenile's parent, guardian, legal custodian and committing court.

Provide that the placement authority of OJOR relating to the transfer of juveniles in secured correctional facilities to the Racine facility would be included as: (a) a transfer option for juveniles under the serious juvenile offender program; (b) a transfer option for juveniles sentenced to a secured juvenile correctional facility under original adult court jurisdiction; and (c) a transfer option for juveniles under an order of extended juvenile court jurisdiction.

Provide that the placement provisions relating to the Racine youthful offender correctional facility would first apply to a juvenile whose conduct presents a serious problem to the juvenile or others on the effective date of the bill.

Technical modifications relating to original adult court jurisdiction of certain juveniles are made under the bill to clarify that current law provisions relating to transferring 17 year-old juveniles to adult prisons, parole eligibility and child support payments apply to any juvenile under the jurisdiction of an adult court, not only 15 and 16 year-old offenders.

DISCUSSION POINTS

1. GPR funding and positions, under the bill, would be provided as follows: (a) \$7,001,000 and 208.25 positions in 1997-98 and \$9,583,700 in 1998-99 for facility operations and security; (b) \$235,700 and 7.25 positions in 1997-98 and \$371,200 in 1998-99 for the Bureau of Health Services; (c) \$320,300 and 2.5 positions in 1997-98 and \$163,500 in 1998-99 for the Division of Management Services; (d) \$41,700 and 2.0 positions in 1997-98 and \$71,200 in 1998-99 for the Office of Offender Classification in the Division of Program Planning and Movement; (e) \$185,300 in 1997-98 and \$247,100 in 1998-99 for fuel and utilities; (f) \$72,800 in 1997-98 and \$97,100 in 1998-99 for repair and maintenance; and (g) \$265,100 in 1997-98 and \$404,500 for the Division of Adult Institutions central office.

2. On April 14, 1997, subsequent to the introduction of SB 77, DOA requested an amendment to the bill that would change the age limit for the Racine facility to be for persons 15 years of age or over, but not more than 21 years of age (instead of 23 years).

3. DOC and DOA indicate that the opening date for the Racine facility is still scheduled for January 1, 1998. Generally, the new positions would be funded for seven to nine months in 1997-98 to allow for preparation and on-grounds training of the new staff prior to the opening date. Eight positions, including the institution's superintendent, would be funded for either 11 or 12 months in 1997-98.

4. Corrections indicates that the number of staff provided under the bill is adequate for operations in the 1997-99 biennium. Two problems relating to one-time preservice training costs could, according to the Department officials, be addressed by the Committee.

5. The first appears to be a technical correction to the bill and relates to the preservice training costs of 100.5 security positions that would be authorized under the bill. Preservice salary was incorrectly calculated at \$1,600 instead of \$2,600 and supplies and services was calculated at \$72.50 per position instead of \$1,600 per position. Including the adjustment for fringe benefits, this correction would increase costs in 1997-98 by \$296,600 GPR. DOA indicates that the full costs of preservice training need to be funded and views this correction as a technical modification to the Governor's recommendation.

6. The second issue relates to an additional request for resources to provide training to 29.25 generalist counselor positions provided under the bill. The generalist counselor position is a new job title that would blend responsibilities for maintaining security, overseeing academic instruction, and providing direct services relating to social functioning. The position's title and description are currently under review by the Department of Employment Relations. Because of the security role to be played by generalist counselors, DOC would like these personnel to receive the same preservice training that correctional officers are required to receive. (Under SB 77, these positions are provided protective services fringe benefits, as are correctional officer positions.)

7. Under current law, no person may be permanently appointed as a correctional officer unless he or she has successfully completed a preservice training program approved by DOC. A correctional officer is defined as any person employed by the state whose principal duty is the supervision of inmates at a prison. While the generalist counselor position would not strictly fit the correctional officer category, it could be argued that this preservice training would be appropriate. The cost of preservice training for 29.25 generalist counselor positions would total \$155,400 GPR in 1997-98.

8. It cannot be determined at this time the extent to which the Racine youthful offender facility population will be under 18 years of age and require mandatory, full-time education. In addition to these juveniles, the remaining youthful offenders are likely to participate to some extent in educational programming.

9. Under current law, adult prisons are authorized 160 teacher positions and 2,766 inmates participate in educational programs. Adult participation may be full- or part-time. DOC

officials estimate the teacher-to-inmate ratio at adult prisons at approximately 1:15. Juvenile facilities have teacher-to-student ratios in the range of 1:10 to 1:12. Under the bill, 15.0 teacher positions would be provided for the Racine facility. Assuming all 400 youthful offenders were full-time participants in the educational programming, the total teacher-to-offender ratio for the facility, under the bill, would be estimated at about 1:27.

10. In its budget request concerning the Racine facility, which, at the time, was based on Racine opening as a juvenile facility, DOC requested a total of 276.95 positions, including 16.0 teacher positions and 80.0 generalist counselor positions. The generalist counselor positions were to be responsible for academic instruction, among other duties, and the intensive staffing pattern was based on this expectation. Similarly, the request for teacher positions was for a reduced staffing pattern to reflect the role of the generalist counselors. Teacher positions, under the request, were intended to focus on the development of curricula and the performance of some classroom teaching.

11. DOA, in recommending the use of the Racine facility as a youthful offender facility, provided 15.0 teacher positions and 29.25 generalist counselor positions. It could be argued that this provision of educational services may be inadequate for offenders in this age group. While generalist counselors may be viewed as providing some assistance to teachers, it is not intended that these positions be certified as teachers.

12. An argument is made that offenders up to 21 years old are likely to be in need of intensive educational services and that such programming may be of greatest value if effectively provided to this age group. While scenarios of educational needs are difficult to make prior to the operation of the facility as a youthful offender institution, it could be assumed that 25% of the population may require or would be appropriate for full-time educational services and that the remaining 75% would be appropriate for half-time services. This would equate to 250 full-time equivalent students. On this basis, it appears that the Racine youthful offender facility would require 21.0 teacher positions (an increase of 6.0 positions to the bill), to achieve a teacher to student ratio of about 1:12, similar to juvenile institutions. The additional positions would require \$140,600 GPR in 1997-98 and \$239,000 GPR in 1998-99, with the positions beginning December 1, 1997.

13. Alternatively, 17.0 teacher positions (an increase of 2.0 positions to the bill) would be required to achieve a teacher to student ratio of about 1:15, similar to other adult institutions. The additional positions would require \$46,900 GPR in 1997-98 and \$79,700 GPR in 1998-99, with the positions beginning December 1, 1997.

14. Under the bill, juveniles placed in secured juvenile correctional facilities could be transferred to the Racine youthful offender facility by the Office of Juvenile Offender Review (OJOR), if the juvenile is 15 years of age or over and OJOR has determined that the conduct of the juvenile in his current secured correctional facility placement presents a serious problem to the juvenile or others. A juvenile would not be entitled to a hearing regarding the transfer to the

Racine facility, unless DOC provides for a hearing by rule, although a juvenile could seek review of the placement decision by appealing to the juvenile court to review the decision.

15. It could be argued that this transfer option is too broad and may not be in the best interests of juveniles. The transfer to prison of 15- and 16-year-old juveniles, adjudicated as delinquents, would place these juveniles within a population of young adults who are likely to be some of the most hardened criminal offenders within their age cohort. DOC officials indicate that, while some reasonable efforts may be made to keep juvenile offenders separate from adults, the Racine facility is not set up to provide sight and sound separation.

16. It could also be argued that juvenile facilities have dealt with these behaviors over the years and should be able to continue to handle difficult juveniles within available options, which include segregation units at each facility, the Mendota Juvenile Treatment Center and juvenile boot camp.

17. Under the bill, the placement authority of OJOR relating to the transfer of juveniles in secured correctional facilities to the Racine facility would also include: (a) a transfer option for juveniles under the serious juvenile offender program; (b) a transfer option for juveniles sentenced to a secured juvenile correctional facility under original adult court jurisdiction; and (c) a transfer option for juveniles under an order of extended juvenile court jurisdiction. These more serious offenders may be viewed as more appropriate for the Racine youthful offender facility. On the other hand, with the exception of a transfer option for juveniles sentenced to a secured juvenile correctional facility under original adult court jurisdiction, this provision could also be deleted on the basis of handling these juveniles within the juvenile system.

ALTERNATIVES TO BASE

A. Conversion of the Racine Facility to a Youthful Offender Facility

1. Adopt the Governor's recommendations to: (a) provide, as technically corrected to fully fund the costs of preservice training for correctional officers, \$8,418,500 GPR in 1997-98 and \$10,938,300 GPR in 1998-99 with 220 GPR positions annually to staff a 400-bed Racine youthful offender correctional facility; (b) authorize DOC to establish this facility as a medium-security correctional institution (operated by the Division of Adult Institutions) for persons 15 years of age or over, but not more than 23 years of age, who have been placed in a state prison under a criminal sentence; (c) change the statutory name of the juvenile offender review program to the Office of Juvenile Offender Review (OJOR); and (d) make technical modifications to clarify that current law provisions relating to transferring 17-year-old juveniles to adult prisons, parole eligibility and child support payments apply to any juvenile under the jurisdiction of an adult court, not only 15- and 16-year-old offenders.

<u>Alternative A1</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$19,356,800
[Change to Bill]	\$296,600]
1998-99 POSITIONS (Change to Base)	220.00
[Change to Bill]	0.00]

B. Age Limitations for the Racine Youthful Offender Facility

1. Modify the Governor's recommendation to provide that the Racine youthful offender facility be operated for persons 15 years of age or over, but not more than 21 years of age.

C. Generalist Counselor Preservice Training

1. Provide \$155,400 GPR in 1997-98 to provide preservice correctional officer training to 29.25 generalist counselor positions authorized under the bill.

<u>Alternative C1</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$155,400
[Change to Bill]	\$155,400]
1998-99 POSITIONS (Change to Base)	0.00
[Change to Bill]	0.00]

2. Take no action.

D. Educational Programming

1. Provide \$140,600 GPR and 6.00 GPR teacher positions in 1997-98 and \$239,000 GPR in 1998-99 to provide additional educational programming at the Racine youthful offender facility.

<u>Alternative D1</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$379,600
[Change to Bill]	\$379,600]
1998-99 POSITIONS (Change to Base)	6.00
[Change to Bill]	6.00]

2. Provide \$46,900 GPR and 2.00 GPR teacher positions in 1997-98 and \$79,700 GPR in 1998-99 to provide additional educational programming at the Racine youthful offender facility.

<u>Alternative D2</u>	<u>GPR</u>
1997-99 FUNDING (Change to Base)	\$126,600
[Change to Bill	\$126,600]
1998-99 POSITIONS (Change to Base)	2.00
[Change to Bill	2.00]

3. Take no action.

E. Transfer Authority Relating to Juvenile Placements

1. Adopt the Governor's recommendation to provide for the transfer of juveniles placed in secured juvenile correctional facilities who meet certain criteria to the Racine youthful offender facility. Authorize OJOR to make transfer decisions and provide that DOC may transfer a juvenile if the juvenile is 15 years of age or over and OJOR has determined that the conduct of the juvenile in his current secured correctional facility placement presents a serious problem to the juvenile or others. Provide that OJOR, in making a determination of whether a juvenile presents a serious problem, may consider factors that include, but would not be limited to, the following: (a) whether and to what extent the juvenile's conduct in the secured correctional facility is violent and disruptive; (b) the security needs of the secured correctional facility; and (c) whether and to what extent the juvenile is refusing to cooperate or participate in the treatment programs provided for the juvenile in the secured correctional facility. Provide that a juvenile would not be entitled to a hearing regarding the transfer to the Racine facility unless DOC provides for a hearing by rule. Provide that a juvenile could seek review of the placement decision only by the common law writ of certiorari (appealing to the juvenile court to review the decision). If DOC transfers a juvenile under these provisions, require the Department to send written notice of the transfer to the juvenile's parent, guardian, legal custodian and committing court. Provide that the authority of OJOR to transfer juveniles to the Racine facility would include: (a) a transfer option for juveniles under the serious juvenile offender program; (b) a transfer option for juveniles sentenced to a secured juvenile correctional facility under original adult court jurisdiction; and (c) a transfer option for juveniles under an order of extended juvenile court jurisdiction. Provide that these placement provisions would first apply to a juvenile whose conduct presents a serious problem to the juvenile or others on the effective date of the bill.

2. Modify the Governor's recommendation to provide that the authority of OJOR to transfer juveniles to the Racine facility would only include: (a) a transfer option for juveniles under the serious juvenile offender program; (b) a transfer option for juveniles sentenced to a

secured juvenile correctional facility under original adult court jurisdiction; and (c) a transfer option for juveniles under an order of extended juvenile court jurisdiction.

3. Modify the Governor's recommendation to provide that the authority of OJOR to transfer juveniles to the Racine facility would only include a transfer option for juveniles sentenced to a secured juvenile correctional facility under original adult court jurisdiction.

4. Take no action.

MO# <u>A-1, B-1</u>	an	MO# <u>D-1</u>		MO# <u>E-3</u>			
2 BURKE	<u>Y</u>	N	A	2 BURKE	<u>Y</u>	N	A
DECKER	<u>Y</u>	N	A	DECKER	<u>Y</u>	N	A
GEORGE	<u>Y</u>	N	<u>A</u>	GEORGE	<u>Y</u>	N	<u>A</u>
JAUCH	<u>Y</u>	N	A	JAUCH	<u>Y</u>	N	A
WINEKE	<u>Y</u>	N	A	WINEKE	<u>Y</u>	N	A
SHIBILSKI	<u>Y</u>	N	A	SHIBILSKI	<u>Y</u>	N	A
COWLES	<u>Y</u>	N	A	COWLES	<u>Y</u>	<u>N</u>	A
PANZER	<u>Y</u>	N	A	PANZER	<u>Y</u>	N	A
1 JENSEN	<u>Y</u>	N	A	JENSEN	<u>Y</u>	<u>N</u>	A
OURADA	<u>Y</u>	N	A	OURADA	<u>Y</u>	N	A
HARSDORF	<u>Y</u>	N	A	HARSDORF	<u>Y</u>	N	A
ALBERS	<u>Y</u>	N	A	ALBERS	<u>Y</u>	N	A
GARD	<u>Y</u>	N	A	GARD	<u>Y</u>	N	A
KAUFERT	<u>Y</u>	N	A	KAUFERT	<u>Y</u>	N	A
LINTON	<u>Y</u>	N	A	LINTON	<u>Y</u>	N	A
COGGS	<u>Y</u>	<u>N</u>	A	COGGS	<u>Y</u>	N	A
AYE <u>14</u>	NO <u>1</u>	ABS <u>1</u>		AYE <u>13</u>	NO <u>2</u>	ABS <u>1</u>	
				AYE <u>7</u>	NO <u>8</u>	ABS <u>1</u>	

MO# <u>E-2</u>		A	A	<u>A</u>	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
		N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	<u>N</u>
		<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>
BURKE																			
DECKER																			
GEORGE																			
JAUCH																			
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OURADA																			
HARSDORF																			
ALBERS																			
GARD																			
KAUFERT																			
LINTON																			
COGGS																			
AYE <u>14</u>																			

CORRECTIONS -- ADULT INSTITUTIONS

Additional Teacher Positions for the Racine Youthful Offender Correctional Facility

Motion:

Move to provide \$328,100 GPR and 14.0 GPR teacher positions in 1997-98 and \$557,600 GPR in 1998-99 for the Racine Youthful Offender Correctional Facility.

Note:

Under SB 77, 15.0 teacher positions would be provided at the Racine Youthful Offender Correctional Facility for an estimated teacher-to-offender ratio of 1:17. The motion would provide 14.0 additional teacher positions that would reduce the teacher-to-offender ratio to about 1:9.

[Change to Base: \$885,700 GPR and 14.0 GPR positions]

[Change to Bill: \$885,700 GPR and 14.0 GPR positions]

MO# 1669

2 BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
1 COGGS	Y	N	A

AYE 6 NO 9 ABS 1

Representative Ourada
Senator Wineke

(Panic)

CORRECTIONS -- ADULT INSTITUTIONS

Racine Youthful Offender Correctional Facility Positions

Motion:

Move to provide \$752,800 GPR and 29.25 correctional officer positions in 1997-98 and \$892,400 GPR in 1998-99 for the Racine Youthful Offender Correctional Facility.

Note:

Under SB 77, \$731,500 GPR and 29.25 generalist counselor positions in 1997-98 and \$1,105,200 GPR in 1998-99 would be provided for the Racine Youthful Offender Correctional Facility. Under this motion, 29.25 correctional officer positions would be provided instead of generalist counselor positions.

[Change to Base: \$1,645,200 GPR and 29.25 GPR positions]

[Change to Bill: -\$191,500 GPR]

MO#

3078

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

Motion #3078

AYE 13 NO 2 ABS 1

CORRECTIONS -- ADULT INSTITUTIONS

Prisoner Cap at the Racine Youthful Offender Correctional Facility

Motion:

Move to limit the number of prisoners who may be placed at the Racine Youthful Offender Correctional Facility to no more than 400 at any one time.

Note:

Under Senate Bill 77, a 240-cell medium-security correctional institution, operated by the Division of Adult Institutions, would open in January, 1998, for persons between the ages of 15 and 23 years of age. This motion would cap the number of prisoners who could be placed at the Racine facility to no more than 400 at any one time.

MO# 1648

1 BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	Y	N	(A)
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
2 JENSEN	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

AYE 15 NO 0 ABS 1